



**Public Hearing
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 32
AGENDA DATE: Thu 10/28/2004
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SUBJECT: Set a public hearing to consider amending the Five-Year Service Plan of the Austin Downtown Public Improvement District (PID), amending the PID plan of assessment by increasing the maximum assessment from \$.10 to \$.13 per \$100 valuation, and reauthorizing the PID in accordance with the revised Service Plan and plan of assessment. (Suggested date and time: November 18, 2004, 6:00 p.m., Lower Colorado River Authority, Hancock Building)

AMOUNT & SOURCE OF FUNDING: PID Assessments, City of Austin annual contributions not to exceed \$150,000, and Downtown Austin Alliance memberships.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Economic Growth and **DIRECTOR'S**
DEPARTMENT: Redevelopment Services **AUTHORIZATION:** Sue Edwards

FOR MORE INFORMATION CONTACT: Michael Knox, Downtown Officer, 974-6412; David Lloyd, Attorney, 974-2918

PRIOR COUNCIL ACTION: Created the PID and set assessment rate on 4/15/93. Approved a management agreement with the Austin Downtown Management Organization (DMO, Inc. (now the Downtown Austin Alliance (DAA) on 8/19/93. Approved annual Service Plans and Budgets for 1994-1997. Re-authorized the Austin Downtown PID on 10/23/97. Extended the management contract with the DAA on 3/12/98. Approved annual DAA Service Plans and Budgets for 1998-2002. Re-authorized the Austin Downtown PID on 10/24/02. Extended the management contract with the DAA on 10/24/02. Approved annual DAA Service Plans and Budgets for 2003-2004.

BOARD AND COMMISSION ACTION: N/A

This item sets a public hearing, as required by State law, to consider amending the Austin Downtown Public Improvement District Five-Year Service Plan (May 1, 2003–April 30, 2008), to include a Marketing Campaign, and amending the plan of assessment by increasing the assessment rate from \$.10 per \$100 valuation of taxable real property to \$.13 per \$100 valuation of taxable real property, and reauthorizing the PID in accordance with those amendments for the remaining three (3) years of the current 5 year PID authorization.

The City Council originally approved the creation of the PID in April of 1993. The Council reauthorized the PID on October 23, 1997 and on October 24, 2002. The Council also contracted with the Austin DMO, Inc. (now the DAA) to manage the PID. The Council has approved fourteen subsequent budgets, service plans, and assessment rolls for the PID. The maximum assessment rate has been \$.10 per \$100 valuation.

Since the PID was reauthorized in October of 1993, the DAA has continued to provide enhanced downtown Austin services. These services include the improved security provided by the Downtown Rangers, litter removal, promotion of the downtown arts, marketing and promotion of downtown businesses, involvement in downtown transportation issues, graffiti removal, and other approved

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downtown services. The current DAA budget approved by Council in November of 2003 is \$1,348,569.

The signed petitions generated by the DAA represent over 50% of the appraised value of all taxable real property liable for assessment under the proposed PID reauthorization, and constitute over 50% of the area of all taxable real property liable for assessment under the proposal. As certified by the City Clerk, (Exhibit 1) [not yet available], the number of signatures is greater than the number required by Chapter 372 of the Local Government Code and meets the requirements of State Law for a petition requested reauthorization.

The PID boundaries remain the same. (Exhibit 2)

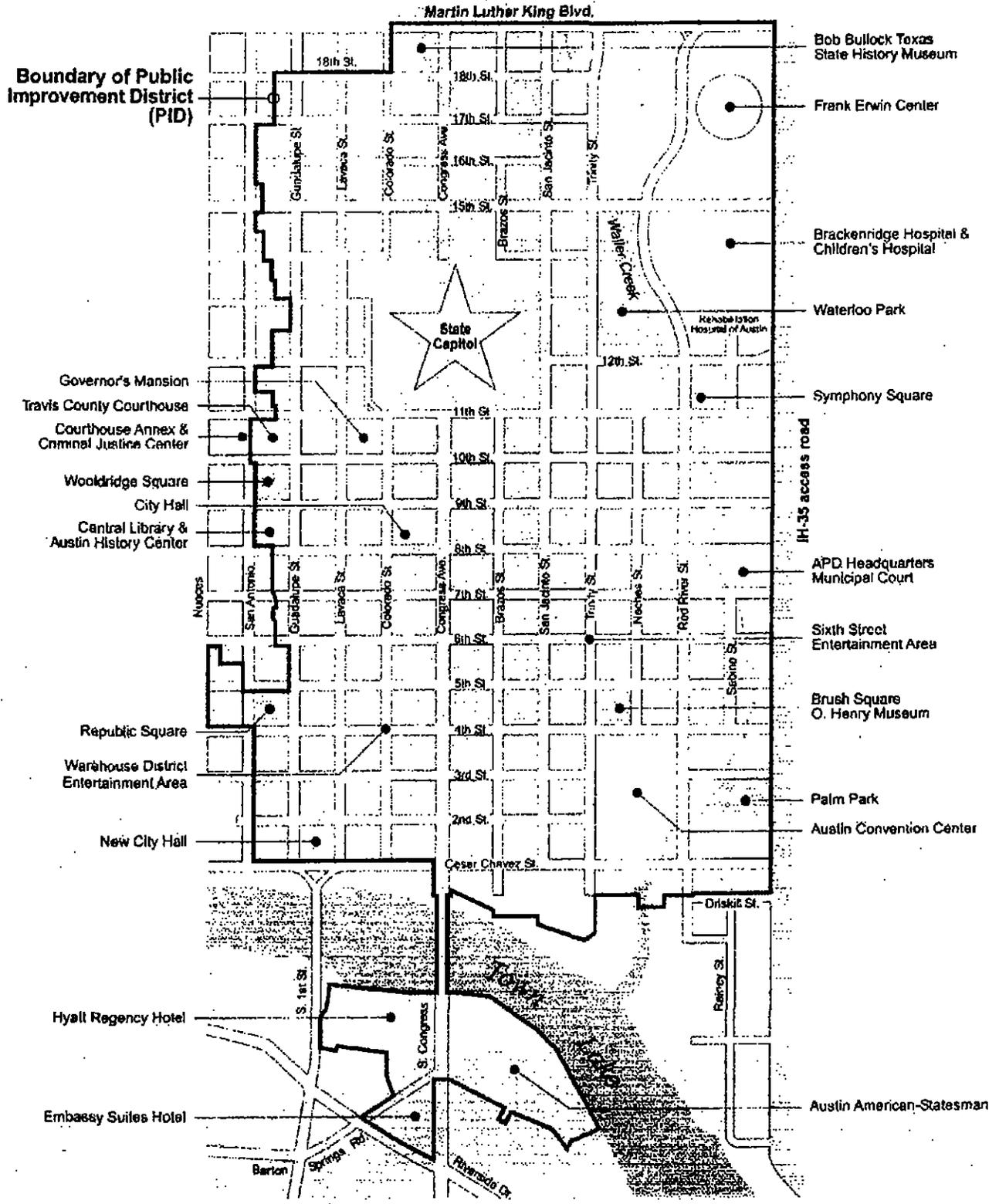
All exemptions remain the same as indicated in the resolution continuing PID services. The original petitions as executed by the property owners or authorized representatives are available for inspection by the public in the City Clerk's Office.

As required by Chapter 372.013, Texas Local Government Code, the DAA has prepared an amended Five-Year Service Plan (Exhibit 3) [not yet available].

The amended Service Plan includes a Marketing Campaign to promote downtown Austin to both regional and statewide audiences. The campaign will include: a) television segments, to be aired on KLRU for a weekly "In-Town Austin" program, and Time Warner and other outlets, b) print advertising, and c) radio advertising.

The proposed service plan is both feasible and necessary to continue enhanced downtown services. The addition of a Marketing Campaign will further enhance downtown services, and will leverage public investments in downtown Austin such as the 2nd Street Retail District, Convention Center Expansion and Great Streets Implementation Program. The Five-Year Service Plan summarizes programs of the DAA and includes five-year expenditure projections, proposed revenues, and assessment rates.

Exhibit 2



**Downtown Austin
Public Improvement District (PID)**